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*Attorneys for Debtors and Reorganized Debtors*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric  
Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case  
No. 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**DECLARATION OF DANIEL BOWMAN IN  
SUPPORT OF DEBTORS' THIRD  
SUPPLEMENTAL APPLICATION PURSUANT  
TO 11 U.S.C. §§ 327(a) AND 328(a) AND FED. R.  
BANKR. P. 2014(a) AND 2016 FOR AUTHORITY  
TO RETAIN AND EMPLOY  
PRICEWATERHOUSECOOPERS LLP  
AS MANAGEMENT, TAX, INTERNAL  
ACCOUNTING, AND ADVISORY  
CONSULTANTS TO THE DEBTORS *NUNC  
PRO TUNC* TO PETITION DATE**

1 I, Daniel Bowman, being duly sworn, state the following under penalty of perjury:

2 I am a principal at PricewaterhouseCoopers LLP (“**PwC**”), an accounting and financial services  
3 firm that maintains offices at Three Embarcadero Center, San Francisco, California 94111. I am duly  
4 authorized to make this declaration (this “**Third Supplemental Declaration**”) on behalf of PwC and  
5 submit it (a) in support of the *Third Supplemental Application of Debtors Pursuant to 11 U.S.C. §§*  
6 *327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 for Authority to Retain and Employ*  
7 *PricewaterhouseCoopers LLP as Management, Tax, Internal Accounting, and Advisory Consultants to*  
8 *the Debtors Nunc Pro Tunc to Petition Date* (the “**Third Supplemental Application**”) and (b) in  
9 compliance with the *Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a)*  
10 *and 2016 for Authority to Retain and Employ PricewaterhouseCoopers LLP as Management, Tax,*  
11 *Internal Accounting, and Advisory Consultants to the Debtors Nunc Pro Tunc to Petition Date* [Docket  
12 No. 2230] (the “**Retention Order**”), the *Order Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R.*  
13 *Bankr. P. 2014(a) and 2016 for Authority to Amend the Scope of PricewaterhouseCoopers LLP as*  
14 *Management, Tax, Internal Accounting, and Advisory Consultants to the Debtors Nunc Pro Tunc to*  
15 *Petition Date* [Docket No. 4959] (the “**First Supplemental Retention Order**”), and the *Order Pursuant*  
16 *to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 for Authority to Amend the*  
17 *Scope of PricewaterhouseCoopers LLP as Management, Tax, Internal Accounting, and Advisory*  
18 *Consultants to the Debtors Nunc Pro Tunc to Petition Date* [Docket No. 6751] (the “**Second**  
19 **Supplemental Retention Order**”, together with the Retention Order, and the First Supplemental  
20 Retention Order, the “**PwC Retention Orders**”).<sup>1</sup> Unless otherwise stated in this Third Supplemental  
21 Declaration, I have personal knowledge of the facts set forth herein.<sup>2</sup>

22 More specifically, I submit this Third Supplemental Declaration in connection with the proposed  
23 continued and expanded retention of PwC as management, tax, and advisory consultants for PG&E  
24 Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as debtors and  
25 debtors in possession (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned chapter 11 cases

26 <sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in  
27 the Third Supplemental Application.

28 <sup>2</sup> Certain disclosures herein relate to matters within the personal knowledge of other professionals at  
PwC and are based on information provided by them.

1 (the “**Chapter 11 Cases**”) to perform those engagements summarized in the Third Supplemental  
2 Application (the “**Third Supplemental Engagements**”).<sup>3</sup>

3 By way of background, on May 1, 2019, the Debtors filed the *Application Pursuant to 11 U.S.C.*  
4 *§§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and 2016 for Authority to Retain and Employ*  
5 *PricewaterhouseCoopers LLP as Management, Tax, and Advisory Consultants to the Debtors Nunc Pro*  
6 *Tunc to Petition Date* [Docket No. 1791] (the “**Original Retention Application**”). In support of the  
7 Original Retention Application, the Debtors filed the *Declaration of Daniel Bowman in Support of*  
8 *Debtors’ Application Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Fed. R. Bankr. P. 2014(a) and*  
9 *2016 for Authority to Retain and Employ PricewaterhouseCoopers LLP as Management, Tax, and*  
10 *Advisory Consultants to the Debtors Nunc Pro Tunc to Petition Date* [Docket No. 1792] (the “**Bowman**  
11 **Declaration**”). The various engagements described in the Original Retention Application and the  
12 Bowman Declaration (the “**Original Engagements**”) included, but were not limited to various  
13 management, operations and legal support activities, strategic analysis services and bankruptcy tax and  
14 accounting advisory services.

15 On May 24, 2019, the Court entered the Retention Order approving the Original Retention  
16 Application and authorizing PwC to perform the Original Engagements *nunc pro tunc* to the Petition  
17 Date. Many of the Original Engagements were subject to work orders that, consistent with historical  
18 practice between PG&E and PwC, were for a set term of short duration (e.g., three to four months) and,  
19 by the terms of such agreements, required written extensions executed by the parties in order for such  
20 work to continue.

21 At various times following the Petition Date, the terms of the Original Engagements expired but  
22 the Debtors requested that PwC continue such work so that the various management, tax, and advisory  
23 consulting service projects that were the subject of the Original Engagements approved by the Retention  
24 Order could continue without interruption as any delay in the performance of such services would clearly

25 \_\_\_\_\_  
26 <sup>3</sup> The summary of the Third Supplemental Engagements included in this Third Supplemental Declaration  
27 is provided for purposes of convenience only and is qualified in its entirety by reference to the Third  
28 Supplemental Engagements. To the extent that this Third Supplemental Declaration and the terms of  
each Third Supplemental Engagement are inconsistent, the terms of the Third Supplemental Engagement  
shall control.

1 be detrimental to the Debtors' estates. Additionally, following the Petition Date, the Debtors requested  
2 that PwC undertake several entirely new projects in connection with the Chapter 11 Cases that were  
3 consistent with PwC's core capabilities and expertise.

4 On November 7, 2019, the Debtors filed a supplemental retention application (the "**First**  
5 **Supplemental Application**") amending the scope of PwC's retention by requesting approval for its  
6 supplemental engagements representing continuation of expired Original Engagements and new projects  
7 requested to be performed by the Debtors (the "**First Supplemental Engagements**"). On December 2,  
8 2019, the Court entered the supplemental retention order (the "**First Supplemental Order**") approving  
9 the First Supplemental Retention Application and authorizing PwC to amend and expand their Original  
10 Engagements and approving the First Supplemental Engagements *nunc pro tunc* to the Petition Date.

11 On March 18, 2020, the Debtors filed a second supplemental retention application (the "**Second**  
12 **Supplemental Retention Application**") amending the scope of PwC's retention by requesting approval  
13 for additional engagements representing continuation of expired First Supplemental Engagements and  
14 new projects requested to be performed by the Debtors (the "**Second Supplemental Engagements**",  
15 together with the Original Engagements, and the First Supplemental Engagements, the "**Approved**  
16 **Engagements**"). On April 13, 2020, the Court entered the Order authorizing PwC to amend and expand  
17 their Second Supplemental Engagements *nunc pro tunc* to the Petition Date.

18 Consistent with the previous Retention Orders, and in an effort to ensure continued and  
19 uninterrupted provision to the Debtors of necessary services, PwC and the Debtors have entered into  
20 agreements for several Third Supplemental Engagements described in greater detail below, recognizing  
21 that such agreements would ultimately need to be approved by the Court upon Third Supplemental  
22 Application.

23 The scope of the continuing and additional work contemplated by the Third Supplemental  
24 Engagements is summarized as follows:

25 Third Supplemental Services Provided Pursuant to the MSA. Pursuant to the terms and  
26 conditions of that certain Master Services Agreement, dated as of January 17, 2017 (previously attached  
27 to the *Bowman Declaration* [Docket No. 1792, Exhibit 1] (as amended December 13, 2019, the "**Master**  
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Services Agreement Amendment”), including three expanded contracts and two new contracts related thereto (the “Third Supplemental MSA Contracts”) by and between the Debtors and PwC (such Third Supplemental MSA Contracts, collectively with the Master Services Agreement, and the Master Services Agreement Amendment, the “MSA”), attached hereto as **Exhibits 1-A through 1-E**, PwC continues to provide management and advisory services to the Debtors, to the extent expressly required by and as more particularly described in the applicable agreements.

A. Hourly Fees - Extensions of Previously Approved Services

- i. Perform forensic collection of data from electronic devices related to the 2017 North Bay Fires and 2018 Camp Fire (the “E-Discovery Services” as described in **Exhibit 1-B** hereto);

B. Fixed-Fee Engagements – Extensions of Previously Approved Services

- i. Assist the Debtors with their corporate incident reporting processes related to the 2018 Camp Fire and other major events in the Debtors’ service territory, including, operations and legal support activities (the “Camp Fire Services”, as described in **Exhibits 1-A** hereto);
- ii. Assist the Debtors with their approach and response reporting processes related to the Public Safety Power Shutoff (“PSPS”) program, including but not limited to: process development of the program, documentation and training, and execution of the PSPS program (the “PSPS Program Support Services”, as described in **Exhibit 1-C** hereto);

C. Fixed Fee Engagements – Other Services

- (i) Assist the Debtors with their assessment of the Electric Operations team with plans, strategy and documentation, assisting Debtors’ management with the training and implementation of certifications, as mutually agreed (the “Electric Asset Excellence Program”, as described in **Exhibit 1-D** hereto);
- (ii) Assist the Debtors with its Ariba Supply Chain including streamline the supplier onboarding process, automation of the supplier data registration and implementation of a process to support solutions for cost management and reporting (the “Ariba Supply Chain Support Services”, as described in **Exhibit 1-E** hereto);

Recurring Tax Services. Pursuant to the terms and conditions of that certain Recurring Tax Services Engagement Letter (previously attached to the *Bowman Declaration* [Docket No. 6365, Exhibit 3]), the Debtors and PwC have amended the terms of the services provided under the Recurring

1 Tax Services Engagement Letter, as set forth in **Exhibit 2** to the Third Supplemental Bowman  
2 Declaration (the “**Amended Recurring Tax Services Engagement Letter**” and, together with the  
3 Recurring Tax Services Engagement Letter, the “**Engagement Letter**”). The terms of the tax recurring  
4 services are amended to include a variety of state and local tax issues, including, but not limited to, state  
5 assessee property tax valuations, positions, and filings, state and local sales tax issues, and state and local  
6 income tax issues (the “**State Tax Services**”).

7 PwC is well qualified and uniquely able to perform the services and represent the Debtors in  
8 these Chapter 11 Cases in an efficient and timely manner. Therefore, PwC submits that continued  
9 employment and retention of PwC as management, tax, and advisory consultants to the Debtors as set  
10 forth in the agreements governing the Third Supplemental Engagements is in the best interests of the  
11 Debtors, their creditors and all parties in interest.

12 It is my understanding that the Debtors intend that the services of PwC described herein will  
13 complement and will not duplicate the services rendered by any other professional retained by the  
14 Debtors in these Chapter 11 Cases. PwC understands that the Debtors have retained and may retain  
15 additional professionals during the term of the engagement and agrees to work cooperatively with such  
16 professionals to integrate any respective work conducted by the professionals on behalf of the Debtors  
17 and avoid the duplication of services being rendered by PwC and other professionals in these Chapter  
18 11 Cases.

19 To the extent that the Debtors and PwC later determine that PwC will perform additional services  
20 deemed appropriate and necessary to benefit the Debtors’ estates, PwC and the Debtors may enter into  
21 additional agreements with respect to such services and will seek separate retention orders with regard  
22 to any such additional agreements.

23 PwC intends to apply to the Court for allowance of compensation and reimbursement of expenses  
24 for the services performed for the Debtors, in accordance with the applicable provisions of the  
25 Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the Fee Guidelines, and any  
26 applicable Orders of the Court, both in connection with this Third Supplemental Application and any  
27 interim and final fee applications to be filed by PwC in these Chapter 11 Cases, in accordance with the  
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terms and conditions of the MSA and the Engagement Letter. Moreover, PwC will make reasonable efforts to comply with the requests of the United States Trustee (“the **U.S. Trustee**”) for information and additional disclosures as set forth in the Fee Guidelines or any other applicable Orders.

PwC’s decision to advise and assist the Debtors in connection with these Chapter 11 Cases is subject to its ability to be retained in accordance with the terms set forth in the MSA and the Engagement Letter. Subject to this Court’s approval, PwC, in accordance with its customary terms and conditions of employment, including the proposed compensation arrangements set forth in the respective MSA Contracts and Engagement Letters (the “**Fee Structures**”), for (a) compensation on an hourly basis for the Bankruptcy E-Discovery Services in accordance with PwC’s ordinary and customary rates in effect on the date such services are rendered; (b) compensation on a fixed-fee basis for the Camp Fire Services, PSPS Program Support Services, Electric Asset Excellence Program Support Services, Ariba Supply Chain Support Services, and State Tax Services in accordance with the terms of each respective Third Supplemental MSA Contract; and (c) reimbursement of actual and necessary costs and expenses incurred by PwC in connection with all services performed on behalf of the Debtors. I believe that these Fee Structures and compensation for each of the Third Supplemental Supplemental Engagements are market-based and reasonable considering PwC’s knowledge and experience.

Hourly Fee Engagements. The hourly rates set forth below are PwC’s applicable hourly rates for the work of its professionals and staff members for the E-Discovery engagement set forth more fully at Exhibit 1-B. These hourly rates reflect PwC’s normal and customary billing practices for engagements of this complexity and magnitude. PwC’s hourly rates are subject to periodic adjustment from time to time in accordance with PwC’s established billing practices and procedures. PwC will provide reasonable notice of any changes to its hourly rates to the Debtors and the U.S. Trustee.

Billing Category	E-Discovery Services
Partner / Principal	\$499
Director/Senior Manager	\$404
Manager	\$329
Senior Associate	\$267
Associate	\$172

Fixed-Fee Engagements. The Debtors and PwC have agreed to fixed-fee compensation for several of the MSA Contracts and the Engagement Letter. These fixed-fee estimates are based on the time required by the individuals assigned to the Debtors' engagements. In addition, the fee estimates are based on the assumption that the Debtors will provide certain information and assistance to PwC.

Services	Fixed-Fee Amount
Camp Fire Services – Change Order No. 5 (Exhibit 1-A)	\$250,000
PSPS Program Support Services – Change Order No. 4 (Exhibit 1-C)	\$360,000
Electric Asset Excellence Program Services (Exhibit 1-D)	\$1,800,000
Ariba Supply Chain Support Services (Exhibit 1-E)	\$700,000
State Tax Services (Exhibit 2)	\$50,000

Expenses. Additionally, as was the case with the expenses described in the Original Retention Application and the Bowman Declaration (and approved by the Retention Orders) PwC will continue to invoice the Debtors for its reasonable out-of-pocket expenses charged during the Chapter 11 Cases, which include, among other things, telephone and other charges, mail and express mail charges, travel expenses, expenses for “working meals” and computerized research, applicable sales, use or value added tax, as well as non-ordinary costs such as secretarial and other overtime.

It is PwC's intention to seek compensation for its services as described in the Third Supplemental Application and the MSA and Engagement Letter in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Bankruptcy Local Rules, the Fee Guidelines and any and all rules and Orders of this Court. It is not the practice of PwC's professionals to keep detailed time records in one tenth-of-an-hour increments (i.e., six-minute increments) as customarily kept by attorneys who are compensated subject to approval of the Bankruptcy Court. Instead, the customary practice of PwC's professionals is to keep reasonably detailed records of services rendered during the course of an engagement in half-hour (0.5) increments. Thus, in the Third Supplemental Application, the Debtors request that this Court allow PwC's professionals to provide the following in its monthly, interim, and final fee applications: (a) a narrative summarizing each project category and the services rendered under each project category; (b) as an exhibit to each monthly, interim, and final fee application that PwC files in these Chapter 11 Cases, a summary, by project category, of services rendered to the Debtors, which identifies each professional



1 rendering services, the number of hours expended by each professional, and the amount of compensation  
2 requested with respect to the services rendered by each professional; and (c) reasonably detailed records  
3 of time in half-hour (0.5) increments, describing the services rendered by each professional and the  
4 amount of time spent on each date.

5 Given the nature of the services to be provided by PwC, such billing format and associated time  
6 details will be sufficient for the Debtors and other parties-in-interest to make informed judgments  
7 regarding the nature and appropriateness of PwC's services and fees.

8 As part of the overall compensation payable to PwC under terms of certain of the MSA Contracts  
9 and Engagement Letter, the Debtors have agreed to certain indemnification obligations as described in  
10 such MSA Contracts and Engagement Letter. The terms of the MSA and Engagement Letter and the  
11 indemnification provisions contained therein were fully negotiated in good faith and at arm's length.

12 PwC received from the Debtors an updated list of "Potential Parties in Interest," set forth on  
13 **Exhibit 3**. PwC's conflict analysis, completed under my supervision, consisted of queries of an internal  
14 computer database containing names of individuals and entities that are present or recent former clients  
15 of PwC in order to identify relationships with the Potential Parties in Interest. A summary of the  
16 relationships and representations that PwC was able to identify using its reasonable efforts is set forth  
17 on **Exhibit 4** to this Declaration, with such new additions to the list of connections in **bold**. PwC's  
18 representation of each entity listed on Exhibit 4 was or is only on matters that are unrelated to the Debtors  
19 and these Chapter 11 Cases.

20 Except as set forth on such hereto: (a) PwC has no connection with the Debtors, the Debtors'  
21 creditors, the U.S. Trustee, any person employed in the office of the U.S. Trustee, or any other party  
22 with an actual or potential interest in these Chapter 11 Cases or their respective attorneys or accountants;  
23 (b) PwC is not a creditor, equity security holder, or insider of the Debtors; (c) neither PwC (nor any of  
24 its principals) is or was, within two years of the Petition Date, a director, officer or employee of the  
25 Debtors; and (d) PwC does not have an interest materially adverse to the Debtors, their estates or any  
26 class of creditors or equity security holders by reason of any direct or indirect relationship to, connection  
27 with, or interest in the Debtors, or for any other reason. Accordingly, to the best of my knowledge, PwC  
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1 is a “disinterested person,” as defined in section 101(14) of the Bankruptcy Code and as required by  
2 section 327(a) of the Bankruptcy Code.

3 PwC should not be disqualified from acting as the Debtors’ management, tax, internal accounting  
4 and advisory consultant merely because it represents the Debtors’ creditors, equity holders or other  
5 parties in interests in matters unrelated to these Chapter 11 Cases.

6 To the extent that any new relevant facts or relationships bearing on the matters described herein  
7 during the period of PwC’s retention are discovered or arise, PwC will use reasonable efforts to file  
8 promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

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10 *[Signature on Next Page]*  
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1 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and  
2 correct to the best of my knowledge and belief.

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4 Dated: July 22, 2020

5 By: Daniel Bowman  
6 Daniel Bowman  
7 Principal  
8 PricewaterhouseCoopers LLP  
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